

New Landing Utility, Inc.
Ill.C.C. Docket No. 04-0321

Application for General Rate Increase

Applicant's Response to Staff Data Request

Staff Data Request FD-13

FD-13 Company response to Staff data request FD-1 indicates the interest rate on the Mortgage Note equals the prime rate plus 2 percentage points. The Commission Order in Docket Nos. 79-0673/0675 Consolidated indicates the Mortgage Note would be "payable not more than 15 years from date, with interest at prevailing prime rate" (p. 5). Please explain why the interest rate disclosed in the Company's response to Staff data request FD-1 differs from the prime rate interest rate authorized by the Commission in Docket Nos. 79-0673/0675.

Response:

It does not. By the terms of the Mortgage Note approved by the Commission in Docket Nos. 79-0673 consol. 79-0675: "The principal of each said installment unless paid when due shall bear interest after maturity at the Prime Rate of Interest, as defined herein, plus two percent per annum." (Emphasis added.) See, Exhibit A to Amended Application in Docket No. 79-0675.

OFFICIAL FILE
I.C.C. DOCKET NO. 040610
Staff CX Exhibit No. 6
Witness _____
Date 4/4/05 _____